IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

MICHELLE M. REDD, Plaintiff,)
v.)
HEALTHCARE REVENUE RECOVERY GROUP, L.L.C.,))
D/B/A ARS ACCOUNT RESOLUTION SERVICES, Defendant.)

FIRST AMENDED COMPLAINT

Plaintiff Michelle Redd, by her counsel, Paúl Camarena, respectfully complains as follows:

Introduction.

1) When a consumer disputes information that a creditor is reporting to a credit reporting agency, the Fair Credit Reporting Act requires the creditor to conduct a reasonable investigation into that information. In the case at bar, Defendant Healthcare Revenue Recovery Group, LLC failed to conduct a reasonable investigation into information that the Defendant itself was reporting. Thus, Defendant Healthcare Revenue Recovery Group LLC violated the FCRA.

Jurisdiction and Venue.

Pursuant to 28 U.S.C. § 1331, United States District Courts have jurisdiction over this case because the case counts arise under the laws of the United States. Pursuant to 28 U.S.C. § 1391(b)(2), the Northern District of Illinois, Eastern Division, is the proper venue because the Eastern Division is where a substantial part of the events or omissions giving rise to this case occurred.

Parties.

3) Plaintiff Michelle Redd is a "consumer" as that term is defined in the Fair Credit

Reporting Act, at 15 U.S.C. § 1681a(c); and Michelle Redd resides within the Eastern Division.

- 4) Defendant Healthcare Revenue Recovery Group LLC is a "person" as that term is defined in the Fair Credit Reporting Act at 15 U.S.C. § 1681a(b) (the "term 'person' means any individual, partnership, corporation").
- 5) Defendant Healthcare Revenue Recovery Group LLC is also a Limited Liability Company organized in the State of Florida and authorized to transact business in Illinois.

Factual Allegations.

- 6) From 2016 to 2017, Ms. Redd was pregnant and, in both years, she visited Midwest Emergency Associates in Munster, Indiana.
- 7) During Ms. Redd's visits to Midwest Emergency Associates-Munster, she handed her health insurance card to M.E.A.-Munster, and MEA-Munster agreed to submit its claims to her insurance carrier.
- 8) Years later, Defendant Healthcare Revenue Recovery Group, d/b/a ARS Account Resolution Services, began managing MEA-Munster's claims with respect to Ms. Redd.
- 9) Defendant Healthcare Revenue Recovery, d/b/a ARS Account Resolution, reported to credit reporting agencies MEA-Munster's claims with respect to Ms. Redd.
- 10) Defendant Healthcare Revenue, d/b/a ARS, reported that Ms. Redd owes one account numbered 835982XX, which has a purported balance of \$526, and a second account numbered 849511XX, which has a purported balance of \$352.
- 11) In fact, Ms. Redd does not owe accounts with balances of \$526 and \$352 because, *inter alia*, these balances do not factor her insurance carrier's liability and payments.
- 12) Hence, Ms. Redd disputed Defendant Healthcare Revenue's 2 reported accounts with a credit reporting agency and, upon information and belief, the Defendant received notice of Ms.

Redd's disputes.

- 13) However, Defendant Defendant Healthcare Revenue willfully failed to conduct a reasonable investigation into its information and continues to report the same information.
- 14) After Defendant Healthcare Revenue failed to conduct a reasonable investigation,
 Defendant's inaccurate information was reported by credit reporting agencies to thirty-parties.
 Defendant Healthcare Revenue's failure to conduct a reasonable investigation also caused Ms.
 Redd to experience so much stress that she experienced difficulty sleeping.

Causes of Action.

The Fair Credit Reporting Act.

Count One.

- The Fair Credit Reporting Act, at 15 U.S.C § 1681s-2(b)(1)(A), states that a creditor "shall ... conduct an investigation with respect to [] disputed information" "[a]fter receiving notice ... of a dispute with regard to the completeness or accuracy of any information provided by [the creditor] to a consumer reporting agency." "[C]ourts have consistently concluded that § 1681s-2(b) should be read as requiring a 'reasonable' investigation." *Humphrey v. Navient Solutions, Inc.*, 16 cv 370 (W.D. Wis. 2017), ECF No. 137, p. 5, (string citations omitted), *rev'd on other grounds*, 759 F. App'x 484 (7th Cir. 2019) ("When a credit-reporting agency notifies a debt collector of a disputed debt, the debt collector must 'conduct an investigation with respect to the disputed information.' 15 U.S.C. § 1681s-2(b)(1)(A). Whether the furnisher's investigation is reasonable is a factual inquiry.").
- Defendant Healthcare Revenue's willfully violated Section 1681s-2(b)(1)(A) by willfully failing to conduct a reasonable investigation with respect to information about Ms. Redd that the Defendant itself provided to credit reporting agencies.

Prayer for Relief.

WHEREFORE, Michelle Redd prays that this Court (1) holds a trial by jury; (2) enters judgment in her favor (and against Defendant Healthcare Revenue) for her actual damages, statutory damages, and reasonable attorney's fees and costs pursuant to 15 U.S.C. § 1681n(a) and 15 U.S.C. § 1692k; and (3) orders prospective equitable relief for this ongoing violation of federal laws.

Respectfully submitted,
Plaintiff's, Michelle Redd's, Counsel
North & Sedgwick, L.L.C.

/s/ Paúl Camarena

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by: